

Public Service Commission of Wisconsin

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FOR IMMEDIATE RELEASE

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PSC Asks the Public to Participate in Investigation of Potential Fraud

Madison, WI—The Public Service Commission of Wisconsin is asking the public to identify whether they have received unsolicited cell phones from a phone company that is having its certification investigated.

Yesterday, telecommunications carrier Midwestern Telecommunications, Inc. (MTI), had its designation as an eligible telecommunications carrier provisionally revoked, and its certificate to operate in Wisconsin is now being investigated after concerns about potential fraud were identified by the Commission.

At issue are the company's potential fraudulent practices in order to obtain ineligible reimbursements from the federal Universal Service Fund's low-income programs, which provide discounts or no-charge-monthly rates for qualified low-income individuals. MTI and other providers receive reimbursement through the federal Universal Service Fund for eligible customers. Telecommunications customers pay a fee on their monthly bills to contribute to the Universal Service Fund.

The investigation was initiated when members of the public contacted the Public Service Commission after receiving unsolicited cell phones from MTI. The Public Service Commission staff investigated these issues, which revealed other concerns about MTI's operations. As a result of a news story in a Madison newspaper on the Public Service Commission action of December 1, 2011, another Wisconsin resident came forward and provided information to Commission staff. This resident had received a phone from MTI for a family member who had been deceased for over a decade.

Now, the Commission is asking members of the public to weigh in if they have had a similar experience. Previously-reported, alleged violations by MTI have included:

- 1. Mailing cell phones to unqualified customers who did not request or apply for the service;
- 2. Company representatives issuing pre-paid cell phones from the trunk of a car;
- 3. Sending unsolicited phones to retirement centers.

If any Wisconsin resident has been mailed a cell phone they did not apply for or has seen any other suspicious behavior involving the Universal Service Fund programs, they are asked to send an email to PSC Consumer Affairs at consaffairs@wisconsin.gov or call (608) 266-5481 or toll free at (888) 816-3831.

Telephone: (608) 266-5481 Fax: (608) 266-3957 Home Page: http://psc.wi.gov TTY/TextNet: In Wisconsin (800) 251-8345, Elsewhere (608) 267-1479 E-mail: PSCRecordsMail@wisconsin.gov